

**Arizona Department of Water Resources
Third Management Plan Review Stakeholder Meeting Summary
May 8, 2006**

Next Meeting

**May 25th, 2006
Fidelity National Building
Casa Grande, AZ**

Report on BMP Subcommittee Meetings

Robin Stinnett reported on activities of the BMP Subcommittee. To date, they have had two meetings. The first was held on April 26 and the second on May 5, 2006. The following is a summary of that report. Questions and comments offered by stakeholders during presentation of the report are noted at the end of each section. (Please note that, due to technical difficulties, the May 8 stakeholder meeting was not recorded. Therefore, this summary may not reflect a complete documentation of stakeholder questions and comments.)

Review and Discussion of Draft Conceptual Framework

During the April 26th meeting, the BMP subcommittee asked to review the draft concept paper and asked to discuss some elements of a possible program structure prior to addressing a listing of BMPs and developing possible BMP descriptions, since their approach to developing BMPs would be contingent on other portions of the program framework.

Questions and Comments from Stakeholders during the May 8 stakeholder meeting:

Warren Tenney: Has the subcommittee developed any specific BMPs? Are we getting closer to a BMP list in time for the June deadline?

Robin Stinnett responded that the subcommittee plans to work on the BMP listing during their meeting this afternoon.

Draft Concept Paper - General Framework

Distribution System Requirements

There was a suggestion by one of the BMP subcommittee members to remove the distribution system requirements from the general framework for large providers but there was not a consensus on this. Instead the group discussed possible language for the required system audit BMP that would require a system audit if a provider's L&U exceeds 10% for three consecutive years. The provider would then implement actions based on the audit for the purpose of improving system efficiency (reducing system losses).

Tiered Approach to Program

The subcommittee recommended basing the Tier structure on total number of service connections.

Questions and Comments from Stakeholders during the May 8 stakeholder meeting:

When asked for the Department's thoughts on retaining multiple municipal programs throughout the duration of the TMP, **Sandy Fabritz-Whitney** responded: I would like to see all providers with >5,000 service connections enrolled in the BMP program.

Draft Concept Paper - Required Program Components

Provider Profile

The subcommittee discussed components of the provider profile to be developed by each provider and submitted to ADWR every three years. The profile should be brief but should describe:

1. Service area characteristics.
2. Uses and users within the service area
3. Conservation measures already implemented
4. Additional conservation measures to be implemented (if necessary) to meet BMP point requirements
5. A discussion of how each measure is relevant to the provider's service area characteristics.

The subcommittee recommended that providers submit their profiles to ADWR for general review. The Department must respond to each provider within a certain time period. ADWR can require revisions if a provider's BMP program is insufficient to meet its Tier requirements. If ADWR does not respond within a certain time period, the providers profile will be deemed acceptable.

Jo Miller suggested using a process for planning a BMP program that is based on an adaptation of a logic model widely used for program development and assessment. This type of analysis helps to define "reasonable effort" with respect to implementation of a provider's BMP program. This would be accomplished by noting Effort/Inputs, Activities/Outputs and Results/Outcomes. A copy of the handout prepared by Jo Miller was distributed to the stakeholder group during the May 8 meeting, along with an overview of the logic model used by the University of Arizona Cooperative Extension.

Questions and Comments from Stakeholders during the May 8 stakeholder meeting:

Mark Frank: Provider profiles would help indicate the BMPs with the greatest potential for water savings for a particular provider based on service area characteristics.

Implementation of BMPs

The subcommittee suggested that a provider can implement a new BMP or one that is not on the master list of recognized BMPs but, in order to do so, there should be a requirement to report on its effectiveness. Any substitution must still enable the provider to meet its BMP requirements.

Conservation Efforts Report

The subcommittee agreed that a Conservation Efforts Report should be submitted along with the provider's annual report. They suggested the following descriptive language:

The Conservation Efforts Report should contain:

1. A description of the BMPs implemented during the calendar year
2. An assessment of the outcomes of the effort, and
3. Plans for the next year's conservation effort.

During the April 26 subcommittee meeting, it was noted that stakeholders wanted an example of an evaluation form. This has begun but is still in progress. **Bill Garfield** prepared a draft evaluation form for the BMP subcommittee to review. Bill asked that the group review the draft and discuss it before distributing it to the stakeholder group. Subcommittee members plan to discuss this more fully at their next meeting.

The subcommittee recommended that each year, large providers document all of their conservation efforts, even if they exceed a provider's required number of points. This will help the Department to document and publicize current water conservation activities within Active Management Areas.

Subcommittee members stated a need to require providers to retain water use records and records associated with implementation of BMPs for several years (number yet to be determined). This will help to insure a good information base for later efforts at program evaluation.

Questions and Comments from Stakeholders during the May 8 stakeholder meeting:

Pete Smith: The City of Tempe retains water department records only for two years prior. His water department would like to see this extended. This could occur if ADWR requires a longer retention period.

Elisa Klein: The City of Scottsdale has a two-year policy also.

Draft Concept Paper - BMP Tiers for Large Providers

The subcommittee tentatively recommended the following:

- T1 – 5,000 connections or fewer
- T2 – 5,001 connections to 50,000 connections
- T3 – over 50,000 connections

These breakdowns are for discussion purposes. They may recommend a different breakdown as the group proceeds through the BMP program development process.

Subcommittee members asked for clarification that for private water companies with multiple systems, the tiers will be applied to the number of total service connections in each system having a separate service area right.

During their meeting on May 5th, the BMP subcommittee discussed the possibility of basing the new program on a point system, rather than a required number of BMPs. This way a BMP can be worth more points as level of effort is increased. In general, providers would be required to implement a greater conservation effort based on their size with minimum requirements increasing for each Tier.

Questions and Comments from Stakeholders during the May 8 stakeholder meeting:

Val Danos: Could additional BMP points achieved above the minimum requirement be banked for future years?

Robin Stinnett: Banking of points for future years would not be an option.

Draft Concept Paper - Required BMPs

During discussion of the required BMP calling for a conservation rate structure, the subcommittee discussed the time frame for such a requirement as it relates to a private water company's obligation to the ACC.

Subcommittee members agreed in general terms with the required BMPs as stated in the draft concept paper. Their suggested base water conservation education program to include for Tier 1 providers includes the following:

1. At least once a year, communicate to customers the importance of water conservation. Inform customers of the kind of information that is available to them regarding water conservation and let them know how to obtain it. Communication channels can include one or more of the following: water bill insert, message on water bill, provider web page, or post card. Providing links to other websites containing water conservation is advisable if the provider has no web site or has no water conservation information on their web site.
2. Provide customers with free written information on water conservation (i.e., pamphlets, brochures). Make the information available in the provider's office

and send it to customers on request. Provider is welcome to distribute water conservation information at other locations as well.

They also recommended that in addition to the required BMPs, Tier 1 providers implement two BMPs (BMP points) of choice.

Questions and Comments from Stakeholders during the May 8 stakeholder meeting:

Shilpa Hunter-Patel: Suggested a grace period for implementation of conservation rate structures for PWCs. A grace period would alleviate for PWCs an additional immediate and expensive rate case (possibly several hundred thousand dollars) with the ACC specifically for the BMP program under consideration.

Warren Tenney: How would conservation rate structures be evaluated in the BMP program?

Robin Stinnett: A provider could check a box indicating the type of conservation rate structure in place on their annual Conservation Efforts Report. Details would not need to be provided. The Department, for example, would not compare the rate structures of Phoenix and Tucson with one another and pass judgment on which is more appropriate.

Draft Concept Paper - Listing of BMPs for Tiers 1, 2 and 3

The subcommittee generally agreed that there should be some framework for describing a BMP that sets guidelines regarding level of effort without putting constraints on program design. They suggested that even though BMPs would be listed in categories for providers to select, it would not be necessary for a provider to select one or more BMPs from every category. To preclude selecting all BMPs from a single category, they discussed the possibility of adding a cap to establish an upper limit of points a provider can choose in any one category.

Questions and Comments from Stakeholders during the May 8 stakeholder meeting:

Shilpa Hunter Patel: The Department might devise an approved BMP list from which a provider would select the most appropriate BMPs with regard to individual service areas. Example: The town of Maricopa, AZ might not select a toilet rebate BMP because the housing stock is predominately new and would not reflect the greatest potential for water savings.

Additional Suggestions

Subcommittee members suggested establishing an ongoing committee to review and make recommendations regarding the effectiveness of specific BMPs and the BMP program.

Meeting Adjournment

The meeting adjourned at noon to allow the BMP Subcommittee additional time to work on a BMP listing and descriptions.

In Attendance

Stakeholders

Carol Ward-Morris	AMWUA
Christina Klien	City of Peoria
Elisa Klein	City of Scottsdale
Jo Miller	City of Glendale
Linda Smith	Tucson Water
Mark Holmes	Town of Chino Valley
Pete Smith	City of Tempe
Sally Cascarilla-Wolf	Arizona American Water Company
Shaun Rydell	City of Prescott
Shilpa Hunter-Patel	Withey, Anderson & Morris
Steve Olea	Arizona Corporation Commission
Tasila Banda	City of Goodyear
Tom Buschatzke	City of Phoenix
Tom Harrell	Arizona Water Company
Val Danos	AMWUA
Warren Tenney	Metro Water District

ADWR

Andrew Craddock
Gordon Wahl
Joe Singleton
Ken Seasholes
Ken Slowinski
Mark Frank
Paul Charman
Robin Stinnett
Sandy Fabritz-Whitney
Virginia Welford